Texas Department of Insurance
Division of Workers' Compensation
Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Universal DME

Respondent Name
Texas Mutual Insurance

MFDR Tracking Number
M4-15-0026-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
September 2, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "On 7/17/2014 we submitted our claims for payment to Texas Mutual in the amount of $528.85 via mail. We did not receive any correspondence from the carrier. We submitted the claims for payment on several occasions, copy of screen print enclosed for your review. Our claims are now denied for timely filing. We have attached copies of the proof of timely filing and invoice with the appeals that were submitted on 08/22/2014."

Amount in Dispute: $511.21

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Texas Mutual based its payment on the ceiling level for E0217RR, which is $60.44. Multiply this by 1.25 to get $75.77. Divide that amount by 30 days to get a per diem of $2.52. Multiply that by 7 units and the result is $17.64. No additional payment is due."

Response Submitted by: Texas Mutual Insurance

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 3, 2014	E0217 RR	$511.21	$57.91

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
   - 4 – This procedure code is inconsistent with the modifier used or a required modifier is missing
   - 732 – Accurate coding is essential for reimbursement. Modifier billed incorrectly or missing. Services are not reimbursable as billed
   - 790 – This charge was reimbursed in accordance to the Texas Medical fee guidelines

- P12 – Workers' compensation jurisdictional fee schedule adjustment

Issues

1. Did the requestor support states position?
2. Did the respondent support their position?
3. What is the rule to determine applicable fee guideline?
4. Is the requestor entitled to reimbursement?

Findings

1. The requestor states, "…Our claims are now denied for timely filing**."**
    a. Review of the explanation of benefits submitted with MFDR request found no denials for timely filing
    b. Claims were adjudicated by carrier in timely manner

    The requestor's position is not supported. The disputed services will be reviewed per applicable rules and fee guidelines.
2. 28 Texas Labor Code §134.203(b) states in pertinent part, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

    The carrier alleges that HCPCS code E0217 should be paid at a daily rate, for a seven day rental period. According to the *Medicare Pricing, Data Analysis and Coding* contractor, www.dmepdac.com, this code is listed as "Inexpensive and routinely purchased." The rental (RR) allowable for the State of Texas is $60.44.

    Per the Centers for Medicare/Medicaid Claims Processing Manual, www.cms.hhs.gov, Chapter 20, items in this category may be billed as follows: "30.1 - Inexpensive or Other Routinely Purchased DME (Rev. 1, 10-01-03), For this type of equipment, contractors pay for rentals or lump-sum purchases. However, with the exception of TENS (see 30.1.2), the total payment amount may not exceed the actual charge or the fee schedule amount for purchase." Also found in the Medicare Claims Processing Manual, Chapter 20, Durable Medical Equipment, Prosthetics, Orthotics, and Supplies 130.8 - Installment Payments (Rev. 1, 10-01-03), "Where a beneficiary is purchasing an item through installments, the total price of the equipment item is reported on the first bill. Monthly payments are made (by the DMERC, carrier, FI or RHHI). The monthly amount is equivalent to the rental fee schedule amount and is paid until the fee schedule purchase price or actual charge has been reached, whichever comes first." The daily versus monthly rental is not applicable to this service. Therefore, the carrier's position of daily calculations is not supported.
3. 28 Texas Administrative Code §134.203(d) states, "The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be determined as follows: (1) 125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule;" or, the fee schedule allowable for one month rental $60.44 x 125% = $75.55.
4. The Maximum Allowable Reimbursement (MAR) for the service in dispute is $75.55. The carrier paid $17.64. The remaining balance is $57.91. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $57.91.

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ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $57.91 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

		January 29, 2015
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.